

March 31, 1992

LB 360, 1006, 1136

SENATOR WESELY: Thank you, Madam President, members. This is AM3790, isn't it?

CLERK: Yes, sir.

SENATOR WESELY: This amendment is brought to you to amend LB 1136 into LB 1006. LB 1006 deals with the regulation of insurance industry matters. LB 1136 is a bill that was heard by the Business and Labor Committee dealing with workers' comp self-insurance regulation. That bill came out of committee, as I understand it, unanimously and is pending as an amendment to LB 360, where there are a number of other amendments as well pending. Judge Novicoff, with the workers' comp court, and I have been in communication about the need for passage of LB 1136, and it was felt in cooperation with Senator Coordsen that it may be appropriate to deal with the issue on this bill. What we have is a situation where the workers' comp court now is given responsibility for the regulation of self-insurance under workers' comp, but simply don't have the resources to accomplish that goal. And as a result, there are businesses waiting months and months and months to get their workers' comp self-insurance plans reviewed and approved, if they have a new plan, by the workers' comp court. There are currently a number of self-insurance workers' comp plans that are approved by the court, and on an ongoing basis, they are reviewed and continued to have approval, but it is the new attempts to get into self-insurance in this area that we are finding great difficulty with inadequate staff currently able to review that. I have had businesses get ahold of me saying that they would like very much the opportunity to move in this direction but the workers' comp court is unable to accomplish that goal. So LB 1136, among other provisions, does provide for an increase in the fees charged so that we can raise the money necessary to have a staff to make this review. I am trying to look now for the dollar figure but this would allow for, through fees, the self-generation of the adequate funds to do this. There won't be any General Fund impact. We are looking at self-assessment on these individuals. That is a real brief summary of the proposal. Senator Coordsen is quite familiar with this issue and introduced the original LB 1136, and I would defer to him for further comment on the proposed amendment.

PRESIDENT MOUL: Thank you, Senator Wesely. Senator Coordsen.